

Exhibit 1
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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THE CLEVER FACTORY, INC.
A Tennessee Corporation,
Plaintiff,

v.

L3 SALES AND SOURCING INC.
a Texas Corporation, JASON LANE,
an individual, and Does 1-10,
Defendants.

No. 01:20-cv-00600-AJN

~~PROPOSED~~ JUDGMENT
AND PERMANENT INJUNCTION

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This matter comes before the Court on a proposed Judgment and Permanent Injunction which was part of an Offer of Judgment under Rule 68 of the Federal Rules of Civil Procedure. Plaintiff Clever Factory, Inc. ("Clever Factory") has asserted claims of copyright infringement against Defendants L3 SALES AND SOURCING INC. JASON LANE and Does 1-10 based on Defendant's use of Clever Factory's copyrighted artwork found at Exhibit A-C (Dkts. 1-1, 1-2, 1-3) to the complaint which Defendant's variants of the registered artwork of Plaintiff are found at Exhibit D (Dkt. 1-4) ("Artwork").

Based on the Clever Factory's acceptance of Defendant's Offer of Judgment, dated March 2, 2020, it is ORDERED, ADJUDGED and DECREED that: judgment is hereby entered in favor of Plaintiff as described below:

This court has subject matter jurisdiction and personal jurisdiction over each of L3 SALES AND SOURCING INC. and JASON LANE and each of the Does 1-10 who are

employees or independent contractors or agents of L3 SALES AND SOURCING INC or JASON LANE (herein referred to as "L3").

L3 SALES AND SOURCING INC. have infringed and JASON LANE has induced infringement of Plaintiff's registered copyrights as shown in Exhibit D to the Complaint (Counts I and II); L3 SALES AND SOURCING INC. has competed unfairly with Plaintiff (Count III); and L3 SALES AND SOURCING INC. and JASON LANE have been unjustly enriched by their copying of the Artwork and/or works derivative of the Artwork (Count IV).

L3 SALES AND SOURCING INC. shall pay Clever Factory the total amount of \$25,000.00 (twenty five thousand US dollars) which includes all of Clever Factory's claims for relief and any and all monetary compensation, attorney fees, and costs that may be recoverable by Clever Factory related to all use of the Artwork in any manner by L3.

L3 is hereby enjoined to the extent permitted by 17 U.S.C. §§ 101 et. seq. until expiration of Plaintiff's copyright registration identified in Exhibits A-C to the Complaint (Dkt. 1-1, 1-2, 1-3) as follows: L3 shall not publish, use, copy, reproduce, prepare derivative works of or otherwise distribute, display, perform, rent, lease, sell, transfer ownership or lend, or otherwise commit copyright infringement of the Artwork.

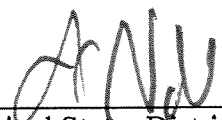
In addition to the injunction to the extent permitted by 17 U.S.C. §§ 101, L3 SALES AND SOURCING INC. JASON LANE and all employees, and agents of L3 SALES AND SOURCING INC. and all entities owned or controlled by JASON LANE or L3 SALES AND SOURCING INC. together with their employees and agents are hereby enjoined from the sale of any and all felt pumpkin decorating kits for a period of time commencing on the date of this order and ending three (3) years from the date of this order. The injunction in this paragraph is not limited to the Artwork.

This Judgment and Permanent Injunction is a final judgment which includes all claims and all types of relief that have been asserted or could have been asserted whether known or unknown concerning the Artwork and includes all claims against L3 SALES AND SOURCING INC., JASON LANE and Known Does 1-10 in this matter and includes any and all attorneys' fees and costs Clever Factory may be due. "Known Does 1-10" includes those entities and individuals identified in the complaint as involved in some way in sales or distribution of L3 products accused in this matter (including Dollar Tree) and also includes those individuals working for or on behalf of or as agents for L3 SALES AND SOURCING INC., and/or JASON LANE, including those identified in documents exchanged during informal discovery conducted between the parties prior to the date of the Offer of Judgment any claims related to the parties described in this paragraph or their agents, customers or manufacturers and alleged copying of the Artwork not addressed herein are dismissed with prejudice.

The Court shall retain jurisdiction to enforce the terms of this Judgment and Permanent Injunction and Clever Factory is not entitled to any further injunctive or monetary relief or attorneys' fees or costs other than as set forth explicitly above.

Dated this 13th of March, 2020.

It is so ordered:



United States District Judge